



The Bounce Back Loan Scheme (BBLs) **is now closed** to new applications, including applications for Top-Ups.

BBLs applications received by 23:59 on 31 March 2021 will continue to be processed.

# Bounce Back Loan Scheme (BBLs)

The Bounce Back Loan Scheme is designed to support businesses who have been affected by coronavirus (COVID-19). The Government guarantees 100% of the loan.

You're liable for 100% of the loan and HSBC UK will always seek to recover the outstanding balance from you.<sup>1</sup>

This could be the right solution for you if you're a business looking for financial support due to the impacts of Covid-19.

## Key features and benefits

- Simple product.
- A 6-year term loan.
- No early repayment fees.
- A government guarantee which secures 100% of the loan.
- Loans from £2,000 up to 25% of turnover subject to a maximum of £50,000.
- An interest free period of 12 months<sup>2</sup> will apply after which you will be charged 2.5% interest fixed for the life of the loan.
- No repayment of capital required during the first 12 month period after drawdown.
- Funds available within days for existing HSBC UK customers.
- No requirement for personal guarantees or other forms of security.

## You can apply for a loan if your business:

- Is an existing HSBC UK customer.
- Is based in the UK.
- Has been negatively affected by coronavirus.
- Generates 50% or more of your business turnover from trading activity. If you receive income from other than your trading activity, more than 50% of the income, together with that of any group is derived from your trading activity. This doesn't apply to charities or further education colleges.
- Operates in a sector that's eligible for BBLs.<sup>3</sup>
- Was operating on 1 March 2020.
- Already holds an existing Business, Charity or Community Account with HSBC UK; or has already applied for a Business Bank Account or Feeder Account before 09:00am on 30 September 2020 (and that account application is successful); or is an eligible sole trader and uses an existing HSBC UK Personal or First Direct Account.

The purpose of the loan must be used to support business activity within the UK. Under the Business Interruption Payment rules, the maximum assistance that can be provided is £800,000, with restrictions in certain sectors.<sup>4</sup>

## Top-Up

If you've previously applied for and received your BBLs loan with HSBC UK and the amount borrowed was less than 25% of the annual turnover you stated on your original Bounce Back Loan application form, you may be eligible for a Top-Up to 25% of the turnover, subject to an overall cap of £50,000.

An interest rate of 2.5% applies on the Top-Up, as applies to the Bounce Back Loan and the Government covers the interest up to the date on which the original interest free period on your existing Bounce Back Loan expires (i.e. 12 months after the original loan amount was drawn). The term of the loan will remain 6 years from the date of the original drawdown.

No capital repayments are required up to the date on which the capital repayment holiday on your existing Bounce Back Loan expires.

The minimum Top-Up amount is £1,000 subject to all other eligibility criteria being met. All existing features of the Bounce Back Loan Scheme continue to apply.

#### **Next steps**

- To apply online for the Bounce Back Loan Scheme or Top-Up, visit [cbil.business.hsbc.co.uk/bbls](https://cbil.business.hsbc.co.uk/bbls).

#### **See our other factsheets**

- **Small Business Loan** – finance for sums of £25,000 or less.

#### **Important notes**

All loans are subject to status. Terms and conditions apply.

The Bounce Back Loan Scheme is managed by the British Business Bank on behalf of, and with the financial backing of the Secretary of State for Business, Energy and Industrial Strategy (BEIS). The Government of the United Kingdom (including the Secretary of State) doesn't endorse lenders who participate in the Bounce Back Loan Scheme (BBLs) (the 'Scheme') and the provision of the Scheme shouldn't be construed as an endorsement or a warranty of HSBC UK Bank plc by the Government.

You don't need to use the same bank account to make repayments and you don't need to maintain a bank account with HSBC during the term of the loan. You're able to make repayments from another bank account at another bank (subject to usual transaction checks).

#### **Standards of Lending Practice for Business Customers (the "Standards")**

We're committed to the Standards of Lending Practice for Business customers (the "Standards"). The Standards are a set of principles of good practice in relation to lending to business customers with a consolidated annual turnover of up to £25m (exclusive of VAT and other turnover related taxes). The Standards apply to products offered for business lending purposes: overdraft, loan, credit card, commercial mortgage and chargecard products across the customer/product lifecycle.

A copy of the Standards of Lending Practice can be obtained at [lendingstandardsboard.org.uk/the-standards-for-business-customers](https://lendingstandardsboard.org.uk/the-standards-for-business-customers) and a copy of the Statement of Lenders and Borrowers Responsibilities from our website [business.hsbc.uk/campaigns/guide-to-business-borrowing/lending-principles](https://business.hsbc.uk/campaigns/guide-to-business-borrowing/lending-principles).

<sup>1</sup> If HSBC cannot recover all funds, the Government provides a full guarantee.

<sup>2</sup> As a condition to lend, you'll need to elect to receive a Business Interruption Payment (BIP) from the UK Government to cover the amount of your loan security fees and your first 12 months of interest payments, this will be paid directly to HSBC by the UK Government.

<sup>3</sup> The following trades and organisations aren't eligible to apply: Banks, Building Societies, Insurers and Reinsurers (but not insurance brokers); The public sector including state funded primary and secondary schools.

<sup>4</sup> Fishery, aquaculture and agriculture businesses may not qualify for the full interest and fee payment.

# Accessibility

If you need any of this information in a different format, please let us know. **This includes large print, braille, or audio.** You can speak with us using the live chat on our website, by visiting one of our branches or by giving us a call.

There are also lots of other options available to help you communicate with us. Some of these are provided by third parties who are responsible for the service. These include a Text Relay Service and a British Sign Language (BSL) Video Relay Service. To find out more, please get in touch. You can also visit: [business.hsbc.uk/accessibility](https://business.hsbc.uk/accessibility) or [business.hsbc.uk/contact-us](https://business.hsbc.uk/contact-us).

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